

**AMENDMENT NO. 4  
TO REVOLVING CREDIT  
AND GUARANTY AGREEMENT**

**AMENDMENT NO. 4**, dated as of March 2, 2001 (the "Amendment"), to the **REVOLVING CREDIT AND GUARANTY AGREEMENT**, dated as of June 2, 2000, among **FAMILY GOLF CENTERS, INC.**, a Delaware corporation (the "Borrower"), a debtor and debtor-in-possession under Chapter 11 of the Bankruptcy Code, the Subsidiaries of the Borrower named therein as Guarantors (the "Guarantors"), **THE CHASE MANHATTAN BANK**, a New York banking corporation ("Chase"), each of the other financial institutions party thereto (together with Chase, the "Banks") and **THE CHASE MANHATTAN BANK**, as Agent for the Banks (in such capacity, the "Agent");

**W I T N E S S E T H:**

**WHEREAS**, the Borrower, the Guarantors, the Banks and the Agent are parties to that certain Revolving Credit and Guaranty Agreement, dated as of June 2, 2000 (as the same has been and may be further amended, modified or supplemented from time to time, the "Credit Agreement"); and

**WHEREAS**, the Borrower and the Guarantors have requested that from and after the Effective Date (as hereinafter defined) of this Amendment, the Credit Agreement be amended subject to and upon the terms and conditions set forth herein;

**NOW, THEREFORE**, it is agreed:

1. Except as otherwise defined in this Amendment, all terms that are defined in the Credit Agreement shall have the same meanings herein.

2. Subject to the satisfaction of the conditions precedent set forth in Section 4 hereof, the Credit Agreement is hereby amended as of the Effective Date as follows:

(A) Section 1 of the Credit Agreement is hereby amended by amending and restating the following definition in its entirety to read as follows:

"Standby Loan Commitment Termination Date" shall mean March 9, 2001.

(B) Schedule 6.09 of the Credit Agreement is hereby replaced in its entirety by Schedule A hereto.

3. The Borrower and each Guarantor represents and warrants that:

(A) after giving effect to this Amendment, the representations and warranties contained in the Credit Agreement are true and correct in all material respects on and as of the date hereof as if such representations and warranties had been made on and as of the date hereof (except to the extent that any such representations and warranties specifically relate to an earlier date); and

(B) after giving effect to this Amendment, no Event of Default or Default will have occurred and be continuing on and as of the date hereof.

4. The effectiveness of this Amendment is subject to the satisfaction in full of each of the conditions precedent set forth in this Section (the date on which all such conditions have been satisfied being herein called the "Effective Date"):

(A) the Agent shall have received counterparts of this Amendment which, when taken together, bear the signatures of the Borrower, each Guarantor, the Agent and each of the Banks;

(B) the Agent and one other Bank shall have received and approved the revised Budget for the period commencing on December 30, 2000 and ending on March 9, 2001;

(C) the Agent shall have received evidence of the entry of an order by the Bankruptcy Court approving this Amendment in the form attached hereto as Exhibit A; and

(D) all legal matters incident to this Amendment shall be satisfactory to Morgan, Lewis & Bockius LLP, counsel to the Agent.

5. The Borrower and each Guarantor agrees that its obligations set forth in Section 10.05 of the Credit Agreement shall extend to the preparation, execution and delivery of this Amendment.

6. This Amendment shall be limited precisely as written and shall not be deemed (a) to be a consent granted pursuant to, or a waiver or modification of, any other term or condition of the Credit Agreement or any of the instruments or agreements referred to therein, or (b) to prejudice any right or rights which the Agent or the Banks may now have or have in the future under or in connection with the Credit Agreement or any of the instruments or agreements referred to therein. Whenever the Credit Agreement is referred to in the Credit Agreement or any of the instruments, agreements or other documents or papers executed or delivered in connection therewith, such reference shall be deemed to mean the Credit Agreement as modified by this Amendment.

7. This Amendment may be executed in any number of counterparts and by the different parties hereto in separate counterparts, each of which when so executed and delivered shall

be deemed to be an original and all of which taken together shall constitute but one and the same instrument.

8. This Amendment shall in all respects be construed in accordance with and governed by the laws of the State of New York applicable to contracts made and to be performed wholly within such State.

9. This Amendment shall constitute a Loan Document.

[Signature Pages Follow]

**IN WITNESS WHEREOF**, the parties hereto have caused this Amendment to be duly executed as of the day and the year first above written.

**BORROWER:**

**FAMILY GOLF CENTERS, INC.**

By: \_\_\_\_\_

Name:

Title:

**GUARANTORS:**

**TPT EL SEGUNDO, INC.**

**GLOBAL GOLF/GAVILAN**

**INDIAN RIVER FAMILY GOLF CENTERS, INC.**

**TUCSON FAMILY GOLF CENTERS, INC.**

**CINCINNATI FAMILY GOLF CENTERS, INC.**

**ST. LOUIS FAMILY GOLF CENTERS, INC.**

**WEST PALM BEACH FAMILY GOLF CENTERS, INC.**

**SAN JOSE FAMILY GOLF CENTERS, INC.**

**EASTON FAMILY GOLF CENTERS, INC.**

**RANDALL'S ISLAND FAMILY GOLF CENTERS, INC.**

**PRIVATIZATION PLUS, INC.**

**WESTMINSTER FAMILY GOLF CENTERS, INC.**

**CAROLINA SPRINGS FAMILY GOLF CENTERS, INC.**

**ORIENT ASSOCIATES INTERNATIONAL, INC.**

**SKYDRIVE ALLEY POND COMPANY, INC.**

**SKYDRIVE GREENBURGH CO., INC.**

**SKYCON CONSTRUCTION CO., INC.**

**SKYDRIVE WILLOWBROOK, NJ, INC.**

**SKYDRIVE CO., INC.**

**PELHAM FAMILY GOLF CENTERS, INC.**

**RICHMOND FAMILY GOLF CENTERS, INC.**

**PEACHTREE FAMILY GOLF CENTERS, INC.**

**ALPHARETTA FAMILY GOLF CENTERS, INC.**

**VALLEY VIEW FAMILY GOLF CENTERS, INC.**

**MESA FAMILY GOLF CENTERS, INC.**

**VIRGINIA BEACH FAMILY GOLF CENTERS, INC.**

**DENVER FAMILY GOLF CENTERS, INC.**

**FLANDERS FAMILY GOLF CENTERS, INC.**

**MARGATE FAMILY GOLF CENTERS, INC.**

**BROOKLYN FAMILY GOLF CENTERS, INC.  
LAKE GROVE FAMILY GOLF CENTERS, INC.  
GOLDEN SPIKES, INC.  
WHITEHALL FAMILY GOLF CENTERS, INC.  
SPORTS PLUS PROPERTIES, INC.  
SPORTS PLUS PROPERTIES, LLC  
GENPROP, LLC  
ICEWORKS OF AMERICA, INC.  
COMMACK FAMILY GOLF CENTERS, INC.  
GREENVILLE FAMILY GOLF CENTERS, INC.  
CHICAGO FAMILY GOLF CENTERS, INC.  
FLEMINGTON FAMILY GOLF CENTERS, INC.  
YORKTOWN FAMILY GOLF CENTERS, INC.  
THE PRACTICE TEE, INC.  
THE SEVEN IRON, INC.  
C.B. FAMILY GOLF CENTERS, INC.  
DARLINGTON FAMILY GOLF CENTERS, INC.  
MAINEVILLE FAMILY GOLF CENTERS, INC.  
MILWAUKEE FAMILY GOLF CENTERS, INC.  
OLNEY FAMILY GOLF CENTERS, INC.  
PALM DESERT FAMILY GOLF CENTERS, INC.  
BROWARD FAMILY GOLF CENTERS, INC.  
ENGLEWOOD FAMILY GOLF CENTERS, INC.  
RALEIGH FAMILY GOLF CENTERS, INC.  
TEMPE FAMILY GOLF CENTERS, INC.  
FEDERAL WAY FAMILY GOLF CENTERS, INC.  
COUNTY LINE FAMILY GOLF CENTERS, INC.  
FAIRFIELD FAMILY GOLF CENTERS, INC.  
CONFIDENCE GOLF, INC.  
KANSAS FAMILY GOLF CENTERS, INC.  
ELK GROVE FAMILY GOLF CENTERS, INC.  
SPORTS PLUS CINCINNATI, INC.  
WICHITA FAMILY GOLF CENTERS, INC.  
BLUE EAGLE OF FLORIDA, INC.  
SPORTS PLUS RALEIGH, INC.  
SPORTS PLUS WOODBRIDGE, INC.  
METROGOLF INCORPORATED  
METROGOLF VIRGINIA, INC.  
METROGOLF NEW YORK, INC.  
FAMILY GOLF ACQUISITION, INC.  
BRONX FAMILY GOLF CENTERS, INC.  
MILPITAS FAMILY GOLF CENTERS, INC.  
SAN BRUNO FAMILY GOLF CENTERS, INC.**

**INTERBAY FAMILY GOLF CENTERS, INC.  
CARVER FAMILY GOLF CENTERS, INC.  
PALM FAMILY GOLF CENTERS, INC.  
CERRITOS FAMILY GOLF CENTERS, INC.  
PHILADELPHIA FAMILY GOLF CENTERS, INC.,  
    *as successor by merger to* PINLEY ENTERPRISES LTD.  
ENCINO/BALBOA FAMILY GOLF CENTERS, INC.  
HOLBROOK FAMILY GOLF CENTERS, INC.  
SHELTON FAMILY GOLF CENTERS, INC.  
SPORTS PLUS NEW ROCHELLE, INC.  
METROGOLF SAN DIEGO INC.  
METROGOLF ILLINOIS CENTER, INC.  
METROGOLF MANAGEMENT, INC.  
FAMILY GOLF VENDING, INC.  
OVERLAND FAMILY GOLF CENTERS, INC.  
PARDOC VENDING CORP.  
EAGLE QUEST GOLF CENTERS (TEXAS II) INC.  
EAGLE QUEST GOLF CENTERS (CALIFORNIA) INC.  
EAGLE QUEST GOLF CENTERS (H.P.) INC.  
EAGLE QUEST GOLF CENTERS (WASHINGTON)  
    INC.  
GOLF PARK, INC.  
GOOSE CREEK GOLF PARTNERS  
    LIMITED PARTNERSHIP  
VINTAGE NEW YORK GOLF, LLC  
SACRAMENTO FAMILY GOLF CENTERS, INC.  
PORTLAND FAMILY GOLF CENTERS, INC.  
CARLSBAD FAMILY GOLF CENTERS, INC.  
EVERGREEN FAMILY GOLF CENTERS, INC.  
OVERLAND PARK, LLC  
EAGLE QUEST GOLF CENTERS (TEXAS) INC.  
PRECISION COURSES, INC.  
IMG PROPERTIES, INC.  
EAGLE QUEST GOLF CENTERS ENTERTAINMENT,  
    INC.  
EAGLE QUEST GOLF CENTERS (U.S.) INC.  
SOLANO GOLF CENTER, LP  
ILLINOIS CENTER GOLF PARTNERS, L.P.  
GBGC FAMILY GOLF CENTERS, INC.  
VOORHEES FAMILY GOLF CENTERS, INC.  
EL CAJON FAMILY GOLF CENTERS, INC.  
BLUE EAGLE OF KANSAS, INC.  
BLUE EAGLE (OP) INC.**

**SKATENATION, INC.  
RECREATIONAL MANAGEMENT CORPORATION  
SKATENATION OF RICHMOND WEST, LLC  
SKATENATION OF PRINCE WILLIAM, LLC  
SKATENATION OF PINEY ORCHARD, LLC  
82ND AVENUE GOLF RANGE, INC.  
EVERGREEN GOLF COURSE, LLC  
EAGLE QUEST GOLF CENTERS (WASHINGTON II),  
INC.  
KANSAS CITY FAMILY GOLF CENTERS, INC.  
BLUE EAGLE OF FLORIDA, INC.  
PINNACLE ENTERTAINMENT, INC.  
RECREATIONAL MANAGEMENT SERVICES  
CORPORATION  
RECREATIONAL MANAGEMENT SERVICES  
CORPORATION OF NEW JERSEY, INC.  
SKATENATION OF RICHMOND SOUTH, LLC  
SKATENATION OF RESTON, LLC  
INTERNATIONAL SKATING CENTER OF  
CONNECTICUT, LLC  
RMSC OF CALIFORNIA, INC.  
LODI FAMILY GOLF CENTERS, INC.**

By: \_\_\_\_\_  
Name:  
Title:

**AGENT:**

**THE CHASE MANHATTAN BANK,  
Individually and as Agent**

By: \_\_\_\_\_  
Name:  
Title:

**CIBC INC.**

By: \_\_\_\_\_

Name:

Title:

**THE DIME SAVINGS BANK  
OF NEW YORK FSB**

By: \_\_\_\_\_

Name:

Title:



**SCHEDULE A**  
**To Amendment No. 4 to**  
**Revolving Credit and**  
**Guaranty Agreement**

**SCHEDULE 6.09**

**Budget**

**EXHIBIT A**  
**To Amendment No. 4 to**  
**Revolving Credit and**  
**Guaranty Agreement**

**Interim Order**

FAMILY GOLF CENTERS, INC.  
CASH FORECAST - CONSOLIDATED  
RECAST - 1st Quarter '01 (DIP 3rd Amendment) As of 2/26/01

Closing By 3/9/01 Assumed

	4 Weeks Ended 29-Dec-00	5-Jan-01 Actual	12-Jan-01	19-Jan-01	26-Jan-01	4 Weeks Ended 26-Jan-01
OPENING CASH BALANCE	\$ (2,450,599)	\$ 684,024	\$ 1,653,878	\$ 712,821	\$ 705,431	\$ 684,024
<b>RECEIPTS</b>						
Golf Sites	4,527,600	583,788	559,447	452,129	498,225	2,093,590
FEC / ICE		772,877	882,814	809,053	1,006,616	3,471,361
Proceeds From Asset Sales - Released by Banks						
Miscellaneous	70,460	75,801	58,175	25,086	10,793	169,854
Funding of Site Disbursements - F&B		(5,000)	(2,000)		(2,000)	(9,000)
Total Receipts	4,598,061	1,427,466	1,498,436	1,286,269	1,513,634	5,725,805
<b>DISBURSEMENTS</b>						
Operations:						
Payroll - Operations	2,318,044		1,048,377		1,120,592	2,168,969
- H.Q.	340,000		170,000		170,000	340,000
- Lakegrove & Campgaw (in '01)	206,535	51,777	52,477	53,652	55,234	213,141
- Processing Costs (Infocus)				72,001		72,001
Rent - Recurring	65,509			1,190,712		1,190,712
- Revenue Sharing					3,703	3,703
Utilities - Electric & Gas (Court Ordered)	124,855	60,280	59,853	59,853	58,890	238,875
- Electric & Gas Other	432,789	31,797	74,885	193,720	242,731	543,133
- Telephone		4,317	3,584	79,076	15,461	102,437
- Waste Removal		22,028	114	5,758	283	28,183
Taxes - Sales & Use	110,309	4,596	11,879	70,224	35,473	122,172
- Real Estate	90,484	9,599	50,641	24,513	52,891	137,644
Insurance - Medical	86,157	250,000	435,043	281,582		966,625
- Other	279	50	313,807	88,456	70,587	472,900
Food & Beverage - Paid by HQ	75,249	6,478	31,416	15,902	22,420	76,216
Pro Shop (incl Range Balls & Cust Orders)	40,639	2,463		7,864	4,126	14,453
FEC Redemption Prizes				137,399		137,399
Games Commissions				138,342		183,175
Advertising	45,213			82,253		82,253
Equipment Rentals				106,574		228,173

Employee Expense Reimbursement	-	4,580	240	9,605	7,603	22,028
Professional Fees - Ordinary Course	63,068		23,141	48,441	25,000	96,582
- Committee Prof	-		-	-	-	-
- Bank Prof	-		-	-	-	-
- Other	-		-	-	-	-
Other Operating Expenses	589,644	9,647	25,009	446,102	180,510	661,267
<b>Total Operations</b>	<b>4,588,772</b>	<b>457,612</b>	<b>2,300,465</b>	<b>3,112,029</b>	<b>2,231,934</b>	<b>8,102,041</b>
<b>Net Operating Cash</b>	<b>9,289</b>	<b>969,854</b>	<b>(802,029)</b>	<b>(1,825,761)</b>	<b>(718,300)</b>	<b>(2,376,236)</b>
<b>Financial:</b>						
Interest - DIP Lenders	-		139,028	-	-	139,028
<b>Total Financial</b>	<b>-</b>	<b>-</b>	<b>139,028</b>	<b>-</b>	<b>-</b>	<b>139,028</b>
<b>Capital Expenditures:</b>						
Construction	80,762		-	-	-	-
Capital Expenditures	43,904		-	181,629	24,326	205,955
<b>Total Capital Expenditures</b>	<b>124,666</b>	<b>-</b>	<b>-</b>	<b>181,629</b>	<b>24,326</b>	<b>205,955</b>
<b>TOTAL DISBURSEMENTS</b>	<b>4,713,438</b>	<b>457,612</b>	<b>2,439,493</b>	<b>3,293,659</b>	<b>2,256,260</b>	<b>8,447,024</b>
<b>CASH FLOW</b>	<b>(115,377)</b>	<b>969,854</b>	<b>(941,057)</b>	<b>(2,007,390)</b>	<b>(742,626)</b>	<b>(2,721,219)</b>
<b>ENDING CASH BALANCE</b>	<b>(2,565,976)</b>	<b>1,653,878</b>	<b>712,821</b>	<b>(1,294,569)</b>	<b>(37,195)</b>	<b>(2,037,195)</b>
<b>BORROWINGS/(PAYDOWN)</b>	<b>3,250,000</b>			<b>2,000,000</b>		<b>2,000,000</b>
<b>ENDING CASH AFTER BORROWINGS</b>	<b>\$ 684,024</b>	<b>\$ 1,653,878</b>	<b>\$ 712,821</b>	<b>\$ 705,431</b>	<b>\$ (37,195)</b>	<b>\$ (37,195)</b>
<b>DIP Financing</b>						
Borrowings to Date	\$ 15,000,000	\$ 19,200,000	\$ 19,200,000	\$ 19,200,000	\$ 19,200,000	\$ 19,200,000
DIP Credit Availability	\$ 15,000,000	\$ 15,000,000	\$ 15,000,000	\$ 17,000,000	\$ 17,000,000	\$ 17,000,000
	\$ -	\$ 4,200,000	\$ 4,200,000	\$ 2,200,000	\$ 2,200,000	\$ 2,200,000

Does not include wind down costs or the liquidation of accounts payable and other administrative expenses. The Debtors are in the process of developing a det  
Includes two days of cash from the week of March 9, that will be swept during the week of March 16.  
Fees for Zolfo, Cooper LLC, Golenbock Eisenman Assor & Bell, and Philip J. Gund will be Sect 506(C) claims.

(1)

2-Feb-01	9-Feb-01	16-Feb-01	23-Feb-01	4 Weeks Ended	2-Mar-01	9-Mar-01
Actual			Forecast	23-Feb-01	Forecast	Forecast
\$	(37,195) \$	(502,407) \$	(134,742) \$	497,349 \$	(37,195) \$	(771,326) \$
540,583	527,142	617,158	757,680	2,442,563	763,336	590,000
676,265	795,663	560,937	546,460	2,579,325	544,045	385,000
-	-	-	-	-	3,000,000	-
480	37,228	34,587	-	72,295	-	-
(2,000)	-	(1,000)	(11,950)	(14,950)	(263,300)	-
1,215,328	1,360,033	1,211,682	1,292,190	5,079,233	4,281,081	975,000

-	1,127,750	-	1,100,472	2,228,222	-	1,800,000
-	170,000	-	170,000	340,000	-	255,000
53,652	55,929	53,215	53,393	216,188	55,000	110,000
104	-	18,426	-	18,530	38,000	19,000
830,558	-	-	-	830,558	36,000	252,000
-	-	-	-	-	100,000	25,000
59,853	59,853	59,853	-	179,558	-	-
61,400	64,052	140,555	136,000	402,008	127,500	60,000
12,707	60,804	15,901	35,000	124,412	40,000	37,500
23,414	286	-	19,500	43,200	20,000	17,500
6,522	16,203	44,129	110,000	176,854	85,000	54,000
22,229	-	-	225,000	247,229	275,000	59,500
12,532	184,204	69,496	405,000	671,232	263,500	56,000
2,027	8,278	-	94,500	104,805	-	25,000
7,279	4,062	3,223	81,000	95,565	76,000	16,000
9,386	-	-	-	9,386	-	-
8,933	33,796	9,950	25,000	77,679	40,000	-
22,173	20,707	23,511	30,000	96,391	28,000	20,000
1,040	-	-	-	1,040	-	-
124,171	1,028	6,781	16,000	147,980	50,000	37,500



**EXHIBIT A**

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

-----X		
In re:	:	Chapter 11
	:	Case Nos. 00-B-41065 (SMB)
RANDALL'S ISLAND FAMILY GOLF	:	through 00-B-41196 (SMB)
CENTERS, INC., et. al.,	:	
	:	(Jointly Administered)
Debtors.	:	
-----X		

**ORDER AUTHORIZING AN AMENDMENT TO DEBTORS'  
DEBTOR IN POSSESSION LOAN AGREEMENT**

Upon the motion (the "Motion") of the debtors and debtors in possession in the above-captioned cases (the "Debtors"), requesting entry of an order authorizing them to enter into, and perform under, the Amendment No.4 (the "Amendment") to the Revolving Credit and Guaranty Agreement, dated as of June 2, 2000, as previously amended on June 30, 2000, November 21, 2000 and January 8, 2001 (the "DIP Credit Agreement") in substantially the form heretofore filed with this Court; and a hearing (the "Amendment Hearing") having been held on March \_\_, 2001; and due and sufficient notice under the circumstances of the Motion and the Amendment Hearing having been given; and based upon the record made at the Amendment Hearing it appearing that sufficient cause exists for granting the requested relief and that the relief requested under the Motion is in the best interests of the Debtors' estates and creditors;

IT IS FOUND, DETERMINED, ORDERED AND ADJUDGED, that:

1. This Court has core jurisdiction over these proceedings and the parties and property effective hereby pursuant to 28 U.S.C. §§ 157(b) and 1334.

2. The terms of the Amendment are fair and reasonable, reflect the Debtors' exercise of prudent business judgment consistent with their fiduciary duty and are supported by reasonably equivalent value and fair consideration. The Amendment has been negotiated in good faith and at arm's-length among the Debtors and the Post-Petition Agent and any credit extended, letters of credit issued for the account of and loans made to the Borrower pursuant to the Amendment, shall be deemed to have been extended by the Post-Petition Lenders in good faith, as that term is used in Section 364(e) of the Code and in express reliance upon the protections afforded by Section 364(e) of the Code.

3. The terms and provisions of the Amendment are hereby approved.

4. The notice given by the Debtors of the Motion and of the Amendment Hearing constitutes due and sufficient notice of the Motion and of the Amendment Hearing.

5. Except as specifically provided in the Amendment and this Order, all terms and conditions set forth in the DIP Credit Agreement, the Final Order and the Final Amendment Order (as such terms are defined in the Motion) remain in full force and effect.

Dated: New York, New York  
March \_\_, 2001

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United States Bankruptcy Judge